

**Hungry Horse County Water and Sewer District  
Board of Directors' Ministerial Meetings**

**Monday, 8 June 2020**

**Monday, 15 June 2020**

**Tuesday, 16 June 2020**

**Friday, 26 June 2020**

**Minute Entries**

**8 June 2020 Ministerial Meeting**

Directors in attendance: President Doug Wagner, Vice President Vivian Allen, and Chief Financial Officer Jamie Foster. No absentees.

Also present: District Bookkeeper Judy Rosenbaum.

This was an informal and informational meeting conducted from approximately 10am to 12 noon, wherein the District Bookkeeper gave a well-rounded perspective line by line on the different financial sheets and aspects of the District's financial affairs and answered many questions.

The Directors express great appreciation for the Bookkeeper's time, helpfulness and talent.

**15 June 2020 Ministerial Meeting**

Directors in attendance: President Doug Wagner, Vice President Vivian Allen, and Chief Financial Officer Jamie Foster. No absentees.

This meeting was conducted for the purpose of signing provisional minutes\* for the purpose of thereafter meeting with the District banks to add the new directors on the accounts at both WFCU and Glacier Bank, and to remove all no longer relevant signatories from both accounts. This meeting was conducted from approximately 330pm to 510pm.

The directors met with the appropriate individuals at both banks and accomplished their objective.

The directors commend and thank the Operations Managers at both WFCU and GB for their helpfulness and knowledge in the processes involved.

Of note in the process:

CFO Foster is, for federal purposes, the Control Person on the District's Glacier Bank account.

BK Judy Rosenbaum is the lawfully listed secretary for the District, for federal purposes.

As of 15 June 2020, BK has legal access to speak with GB about the details of account and its transactions at any point, but continues as a non-signator in order to avoid conflict of interest.

GB stated the BK should contact them to let them know if the online password will continue as is or should be reset.

BK's signature is required to complete the paperwork supplied by GB at this meeting.

BK will need to update the new information with the Secretary of State.

GB also needs to be informed if the WD is a C or an S corporation.

GB states the stale check \$50 penalty (see Minutes 19 May 2020) can be voided by speaking with the bank, so long as the bank has been contacted within 60 days of the problem (bank policy).

GB stated that the account was opened in 1994, and that there is also a safe deposit box, opened in 2000, with signators on that account being GMO Ben Shafer and two long-past directors. The Bank will need minutes directing appropriate changes be made for the safe deposit signators. The due date for next payment on the safe deposit rental is 21 November 2021.

GB has provided a complete copy of all paperwork involved in the above process.

WFCU process took place out-of-doors due to COVID issues, and CFO took photos of the paperwork completed. There were six defunct directors still on that account, who were removed at the same time the three new directors were added.

The WD should request paper copies of paperwork which was completed in the new signator process at WFCU.

\*At the 19 May 2020 meeting, the District was left without a lawful secretary to produce District meetings' minutes, and the Directors were faced with the necessity of provisional minutes for the purpose of the bank signator processes required. The provisional minutes used in that process are herewith attached as *incomplete and not a full record of the proceedings of the 28 May 2020 Directors' Special Meeting*, but may be compared as faithful to the full and official minutes of that meeting approved at later date.

## 16 June 2020 Ministerial Meeting

Directors in attendance: President Doug Wagner, Vice President Vivian Allen, and Chief Financial Officer Jamie Foster. No absentees.

Also present: General Manager Operator Ben Shafer, and Mr. Brent Schmidt, candidate for open director position.

This was an informal and informational meeting and tour of the water operations system

conducted from approximately 1pm to 3pm, wherein the District General Manager Operator gave basic information on the water system and a well-rounded tour of the Irene Shafer Hall and the District's three pumphouses and their features, and discussed the aspects of operation. The General Manager Operator answered many questions.

The GMO also gave the directors a demonstration walk-through and explanation of what happened in his recent hand injury, for workman's comp purposes, as well as an update on the physician side of things. GMO has not yet been able to see a specialist to know exactly what the best course of action for healing will be.

The Directors express great appreciation for the General Manager Operator's time, helpfulness and talent.

The District also expresses much appreciation to Mr. Schmidt for joining the tour.

### 26 June 2020 Ministerial Meeting

Directors in attendance: President Doug Wagner, Vice President Vivian Allen, and Chief Financial Officer Jamie Foster. Excused: Director Brent Schmidt.

Also present: Ms. Rita Venable, potential Secretary for the Board.

This was an informal meeting conducted for the purpose of interviewing Ms. Venable for the position of Secretary for the Board. As noted above, the Board is currently lacking a secretary since the 19<sup>th</sup> May meeting. This meeting was conducted from approximately 1:00pm to 1:45pm, with Ms. Venable present until approximately 1:20pm.

After Ms. Venable left, the Board also discussed the following matters:

- 1) Possible fifth Director for the Board;
- 2) Audit companies, per the Montana State list;
- 3) MCA on ethics/potential consequences for district;
- 4) Update re water rights attorney hire.

The Directors express much appreciation to Ms. Venable for her time and availability.

Respectfully submitted and attested by current Directors in absence of Secretary:

President: \_\_\_\_\_

Vice President: Vivian Allen

Chief Financial Officer: Jamie Foster

Director Schmidt: Brent Schmidt





# **Hungry Horse County Water and Sewer District Directors' Special Meeting**

**Tuesday, 28 May 2020**

## **Minutes**

*Provisional — for banks*

Directors in attendance: President Doug Wagner (Pres.), CFO Jamie Foster (CFO), Vice President and Parliamentarian Vivian Allen (VPP). No absentees.

General Manager/Operator (GMO) Ben Shafer and Bookkeeper (BK) Judy Rosenbaum, also present.

Public: Mr. Walter Rowntree, Mr. Craig Skinner and Mr. Timothy McNeme were present.

Mr. Rowntree came to give input to the current board based on his experience with the past Board. \*See Endnote 1.

Mr. Rowntree gave his comment prior to the call to order.

Mr. R. returned the HHWD check for \$84 for his purchase of 7 water “bibles” for the board and staff members. He stated it was not proper for him to accept it and would give the specific reasons if anyone so wished.

Mr. R. had been trying to locate documents which would provide the board with guidance on by-laws. The county had 8 documents (but no bylaws) which they sent to him for \$10 and which he here delivered to the BK who downloaded them on her laptop.

Mr. R. stated he had suggested to the President that the Board “take a couple notes on a certain thing today” and the President can tell Mr. R. if he considers it important.

Mr. R. stated that since there was at least at some time some question about what date the new board members are seated, it may be good to re-vote on everything at the last meeting to be sure those votes are official. Everyone knows that the 3 new directors are seated board members at this meeting.

Director Wagner: There was no question that the 3 new directors were seated board members at the last meeting.

Mr. R.: There may be a different board in ten years which would look at it and if they see they voted it at that meeting but they also re-voted it at the meeting later so it's valid whichever meeting they voted it at. Mr. R. says since it is not yet after the 1<sup>st</sup> June, he doesn't know but what it should perhaps be done at that meeting vs. the present one. \*See Endnote 2.

Mr. R.: A screaming priority is getting by-laws written, eg, what is a quorum and passing number of votes—goes into some elaboration on numbers for these as examples.

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Mr. R: A huge priority in by-laws is a procedure for a board to fill and empty seats. There are currently 3 directors, and if one of them dies or is abducted there is no quorum, which Mr. R. says would mean having to wait until the next election to get any board business done.

\*See Endnote 3.

Mr. R. leaves meeting.

Mr. Skinner came at invitation of ~~A~~ Director Allen as a possible new director to fill an empty seat. Mr. Skinner is a past Director.

Mr. Craig Skinner: He is not committing to a position on the board; he's been through this before; health is part of the reason why he eventually left the board.

Meeting called to order at 5:59pm.

Seconded.

D. Wagner: D. Allen had an agenda which was posted. How to proceed with it?

D. Allen: Appoint a Chair Pro Tem, and it looks like the recorder\* See Endnote 4, may be the Sec Pro Tem unless there is someone else at meeting qualified to do that.\* See Endnote 5.

D. Wagner: Difference between Pres. Pro Tem and VP?

D. Allen: Pro Tem is until the board gets to nominations, someone to run the meeting.

D. Wagner: Want me to volunteer?

D. Allen: Thank you.

Election of D. Wagner to Chairman Pro Tem carries

RESOLVED: D. Wagner is appointed Chariman Pro Tem. .

Skip over agenda item: Secretary Pro Tem—has to be the recorder at this meeting

Chair: Public comment?

Mr. Skinner: Who was the previous speaker here?

Discussion re Mr. Rowntree, who had been a "director" since Jan but at the 5 May 2020 candidated election he did not get the votes. After the election the Water District President Rippe resigned and another incumbent member, Director Kimberly Hebert resigned, so there are now two seats available.

Mr. Skinner: Is just observing, possibly considering asking to be part of the board again—

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interested, maybe, some things he needs to know before he makes a decision. A large factor is that it is very difficult for him to do anything after 4 or 5 o'clock due to health issues. He is 75. Mr. Skinner will see how it goes.

Chair: Thank you. Procedural Motion.

D. Allen reads and moves the adoption of the Procedural Motion (attached).

Chair: Do we need a second or is there discussion first.

D. Allen: Does not believe a second is needed in small meeting (Robert's Rules), as a vote pretty much takes care of that. Discussion is in order.

GMO: #6, involving significant financial action; needs to understand what board understands to be significant. Meter pit that needs to be replaced?

BK: Or something that needs to be done in an emergency?

D. Allen: The Procedural Motion is simply recommendations brought to the floor; in the regular course of GMO duties, GMO and BK will do what they normally do as a responsible manager and bookkeeper; board doesn't require permission that they do something that is already under their purview; this motion addresses board business procedure, e.g., if the board is deciding to bring in the telemetry.

More discussion clarifying that motion relates to meeting procedure vs governing of the manager or bookkeeper's operations.

Chair: Item 10—we are not currently sending in anything to county commissioners that is known about.

BK: Doesn't know if Ms. Wheeler, former secretary/director did that, but the Water District (WD) is required to do so.

D. Allen: Recollects reading it in MCA.

BK: Minutes do need to be filed.

Director Foster: What does county do with the minutes—are they on internet, in a county record?

BK: Thinks so, but county doesn't post everything; county commissioner records are always posted. Even if filed with county are not necessarily posted on county website.

D. Foster: Likes that at one time county posted at least some of them. Question is how to cause it to happen again.



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D. Foster: Re Procedural Motion: starting somewhere is great.

Procedural Motion carries.

RESOLVED: To adopt the attached Procedural Motion.

Chair: Recognizes new member of the public who arrives. Who are you?

Public: Timothy McNeme; just here to have fun. This is my interest.

Chair: Meeting Etiquette.

D. Allen: Thoughts to help the board get rolling in the right direction: gives Meeting Etiquette presentation (attached).

Chair: Comments, questions, discussion?

Chair: Re quorum, if someone is here electronically, that counts, but not by proxy.

D. Allen: Yes. Have to have physical presence one way or the other.

D. Foster: If they are electronically at the meeting, or at the table rather than proxy.

D. Allen: Correct.

D. Foster: So the proxy vote can still be counted if there's a quorum.

D. Allen: Say there's some important decision someone wants to have their vote in on and can't make it to the meeting, then they can give the proxy to someone who will be attending and they make sure that the vote is counted.

D. Foster: If there are two people at the table and one on a Zoom meeting and then we have a proxy vote from a board member, all four of those votes can count and that is a quorum.

D. Allen: Yes.

Chair: No further action on the Etiquette—that was just informational?

D. Allen: Unless someone wants to adopt it into the record.

Chair: The minutes.

D. Allen: Yes. Moves that the Meeting Etiquette presentation be officially adopted into the board minutes as records from tonight's meeting.

Motion carries.



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RESOLVED: That the Meeting Etiquette presentation be officially adopted into the board minutes as records of the 28 May 2020 Board of Directors' meeting.

Chair: Nominations and elections of officers. Nominations for President are open. Are there any nominations?

D. Allen: Nominates Doug Wagner for President.\* See Endnote 6.

Chair: Are there any other nominations for President? Pause. Seeing none, nominations for President are closed. All in favor of Doug Wagner for President?

Election of Director Doug Wagner to President of the Board of Directors carries.

RESOLVED: That Doug Wagner is elected President of the HHWD Board of Directors.

President: Nominations for Vice President? Are there any volunteers? D. Allen, you volunteered last time.

D. Allen: Will volunteer again.

President: Any other nominations for Vice President? Pause. Seeing none, all those in favor of D. Allen being VP say aye.

Election of Director Vivian Allan to Vice President of the Board of Directors carries.

RESOLVED: That Vivian Allen is elected Vice President of the HHWD Board of Directors.

President: Nominations for CFO, our financial committee member wizard. Nominations for CFO?

VP: Nominated D. Foster—impressed with her numbers acumen.

President: Any other nominations for CFO? Seeing none, all those in favor of D. Foster being the board's financial wizard, say aye.

VP: Point of clarification: This does not take the place of the bookkeeper.

Election of Director Jamie Foster to Chief Financial Officer of the Board of Directors carries.

RESOLVED: That Jamie Foster is elected Chief Financial Officer of the HHWD Board of Directors.

President: Any other offices to fill? Hope board doesn't have the cart ahead of the horse; we have two board member openings.

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VP: Yes. When board has two more board members, it could if desired, re-hold elections, because of the current problem being faced with coming on board.

President: Any further nominations? Seeing none, move nominations be closed.

Motion carries.

RESOLVED: Nominations be closed.

President: Next item, read minutes and approve. We don't have any minutes, do we. Skip that. Consideration for Secretary Pro Tem (SPT).

VP: Point of info, Board has no SPT other than the Board's digital recorder so suggests passing on that until such time as the Board has a physical person.

President: Recording Secretary search. Anybody have anyone they know thus far who would love to be the secretary?

Mr. Skinner: He will talk to his wife, Linn. She didn't come because she doesn't feel she has the expertise to be part of something like this.

GMO: If board is out recruiting it may be helpful to know if they will be receiving some sort of dispensation other than valued community service. It would be easier to sell to a couple people GMO knows.

CFO: If someone couldn't be here every time to record that, if the recorder works then it's possible they can type up minutes after the fact. We know it's going to be a little better money than the Coram secretary is paid.\* See Endnote 7.

Discussion that job description is necessary. Setting the agenda as well as recording minutes. BK is like a Corresponding Sec, the minutes would be a recording sec function and there is additionally a program sec function—takes care of making meetings smooth, paperwork, handing it out. Typically the 3 roles are filled by one person. Is there a job description already someone else is using that the Board could use? Probably just minutes and agendas? Coram has no written sec job description. Other matters involved would include elections. BK has some info she can share at the next meeting though it won't be the full package.

VP: Once there is a job description and set compensation, Mrs. Skinner may be interested in applying for it; Montana Code Annotated (MCA) says it's a paid position; Mrs. Skinner seems like a conscientious person tho' VP's contact has been minimal.

Mr. Skinner: Very conscientious, very intelligent.

No more discussion.

President: Item 10, new directors search. We have one potential. Keep ear out for anyone who



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has an interest.

VP: Would board want to discuss putting the openings on the next water bill?

Discussion re logistics of putting it on the water bills—can be put on the back. Next bill goes out 23d June.

VP: Moves search for directors and secretary be continued, and if there are no people lined up close to June 23d, that BK puts a notice on the water bill with wording as follows: "Your new water board is looking for two new directors and a secretary. Secretary is a paid position. Seeking conscientious and dedicated individuals. Please contact Doug Wagner at 387-5535."

Motion carries.

RESOLVED: That the Board's search for directors and secretary be continued, and if there are no people lined up close to June 23d, that BK puts a notice on the water bill with wording as follows: "Your new water board is looking for two new directors and a secretary. Secretary is a paid position. Seeking conscientious and dedicated individuals. Please contact Doug Wagner at 387-5535."

Further discussion: Before phone rings, needs to know how much board is paying and have job description in hand. Next meeting 18 June, will be before bills go out.

President: Bank account signatures.

Discussion: No minutes yet from Ms. Wheeler. CFO has checked with Glacier Bank (GB) and Whitefish Credit Union (WFCU), just bring minutes and IDs.

VP: Moves that, as Mr. Rippe and Ms. Hebert are no longer with the Board that they and all former board members be removed from both Water District bank accounts and that new signators be placed on both those accounts (GB account 050038104 and WFCU account 0000384750) Signators added: Douglas Wagner, Vivian Allen, Jamie Foster. Signators removed: John Rippe, Diane Mundell, Anne Wheeler, Kimberly Hebert and Walter Rowntree.

President: Mr. Rowntree suggested directly to D. Wagner for the board to officially accept the resignation of the other two board members—they don't want to be on the acct or can't be.

CFO: Banks said to be really specific in the minutes. Definitely need to name banks, people, account numbers.

Motion carries:

RESOLVED: That, as Mr. Rippe and Ms. Hebert are no longer with the Board, that they and all former board members be removed from both Hungry Horse Water and Sewer District bank accounts and that new signators be placed on both those accounts (GB account 050038104 and WFCU account 0000384750). Signators to be added: Douglas Wagner, Vivian Allen, Jamie



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Foster: Signators to be removed: John Rippe, Diane Mundell, Anne Wheeler, Kimberly Hebert and Walter Rowntree.

VP: Moves the acceptance of the two resignations from Mr. Rippe and Ms. Hebert.

Motion carries.

RESOLVED: The Board accepts the two resignations of Mr. Rippe and Ms. Hebert, effective 20 May 2020.

President: Board will write up minutes as soon as they are retrieved from the digital recorder—somebody? Recording serves to substitute for Ms. W's minutes in case they don't show up in time. Be sure we can pay bills at next meeting.\* See Endnote 8.

BK is not on the account and cannot (and should not) do anything with it.

President: 13. Bonding. Directors, administrative personnel.

VP: Added another agenda item prior to Bonding. Status of letters of appreciation for former board members.

CFO: Did handwritten notes for Mr. Rippe., Mr. Rowntree., Ms. Hebert., and Ms. Mundell., each one a little different. Can be signed by others wishing to.

VP: Moves they be signed immediately. Notes are signed by President and VP; GMO and BK decline to sign them. Motion is still on the table—unfinished business.

Mr. Skinner: He would be kind of persuaded to be part of the team if it was at a different time of the day. Evenings are very difficult for him physically. He will definitely talk to Mrs. Skinner about the secretary position.

President: Will be taken under advisement whether can change the time or not.

Mr. Skinner: Realizes meetings almost have to take place in the evening, when people are able to come. He will give it really close consideration. He is going to take his leave and does so, with thanks from the directors for attending.

President: Is BK bonded, insured?

BK: No.

President: Not required? Codes? County?

BK: No.

President: Directors aren't required to be bonded?

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BK: Not to her knowledge.

VP: Moves GMO look into bonding, pros and cons, what would be involved with that for employees and board of directors. Motion is still on the table—unfinished business.

CFO: One of the bylaws she found on the internet has an Indemnification Article for board members, and officers not employees of the district (if they conducted themselves in good faith), HHWD may want to put this kind of language into its by-laws.

BK: Where bonding comes in is where someone hasn't acted in good faith.

President: So, it's after the fact?

BK: BK has never been bonded but that is her understanding. Basically, it is full credit and background checks, that type of thing. Insurance is basically what it is.

CFO called about getting bonded at one time and it wasn't that expensive--~\$240 for a million ~~not~~ <sup>or</sup> two of coverage. For if someone makes a mistake. So the board is not (indistinct)...went along with liability.

President: Appoint standing committees for rules and policies.

VP: Moves that once there is a full board, a standing rules and policies committee be appointed to work on bringing a set of internal policies and procedures to the board for consideration and adoption by the board, and to eventually formulate a complete manual of rules, policies and procedures, to include by-laws, and that this committee be the referral point for questions of proper procedure. Further moved that that committee would report monthly to the board while in active operation. Further moved the above committee will look through the updated Rules and Regulations to suggest changes to the board, with input from the GMO.

CFO: Suggest quarterly reporting after it is in place, so that it's not on the agenda at every meeting unless something comes up outside the quarterly schedule.

VP: Substitutes the word "quarterly" for "monthly" in the motion.

President: All comfortable with 3 motions in one? All in favor?

Motions carry.

RESOLVED: That once there is a full board, a standing rules and policies committee be appointed to work on bringing a set of internal policies and procedures to the board for consideration and adoption by the board, and to eventually formulate a complete manual of rules, policies and procedures, to include by-laws, and that this committee be the referral point for questions of proper procedure. Further moved that that committee would report quarterly to the board while in active operation. Further moved the above committee will look through the

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updated Rules and Regulations to suggest changes to the board, with input from the GMO.

President: County atty role in assisting water district. Believed they don't have any.

BK: Understands from a prior conversation with them re what the water district's liability with a shack (out by the gravel pit) would be, and got an unceremoniously cold response: the cty atty does not represent us and do not assist the WD.

GMO: The same sentiment when he was referred to cty atty by Montana Rural Water circuit rider Bobbi—while MCA says they are supposed to help and represent the cty WD, they won't take up a WD cause.

President: Agrees he has received the same in his experience. If WD needs legal help WD must find its own atty, retain ~~not~~ <sup>or</sup> hire them case by case.

VP: Moves that the GMO would see if he can get the county attorney to put that in writing for the WD to include in its policies and procedures manual. So that it is in black and white.

CFO: That they are not available to help us.

BK: Believes should be in by-laws instead of rules and regs.

President: Any other discussion? Good to go?

Motion carries by consensus.

Meeting adjourned at 9:23pm.

RESOLVED: Meeting is adjourned.

Respectfully submitted and attested by current Directors in absence of Secretary:

President: Douglas T. Wagner

Vice President: Theresa Allen

Chief Financial Officer: James H. Jester